CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA
REGULAR MEETING

JUNE 21, 2011

INVOCATION:
Pastor Greg Burtnett of Grace Baptist Church gave the invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG:
Councilmember Patino led the Pledge of Allegiance.

CALL TO ORDER:
Mayor Lavagnino called the Regular Meeting of the City Council to order at 6:30 p.m.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Boysen, Cordero, Orach, Patino, and Mayor Lavagnino.

STAFF MEMBERS PRESENT
City Manager Ness, Senior Assistant City Attorney/Utilities Counsel Stockton, Assistant City Attorney Sinco, Assistant City Manager Haydon, Fire Chief Jones, Police Chief Macagni, Director of Public Works/City Engineer Whitehead, Director of Utilities Sweet, Director of Community Development Appel, Director of Administrative Services Visé, Director of Recreation and Parks Posada, Acting City Librarian Corbett, and Chief Deputy City Clerk Perez.

PROCLAMATION – RECREATION AND PARKS MONTH
Councilmember Orach read a proclamation declaring the month of July 2011 as "Recreation and Parks Month" in the City of Santa Maria and encouraging the community to enjoy and participate in the benefits of public and private parks and recreation programs, services, and facilities. The proclamation was accepted by Alex Posada, Director of Recreation and Parks.

VOLUNTEER OF THE MONTH
Councilmember Cordero presented a gift to Lisa Koerner, the Recreation and Parks Volunteer of the Month for June, for her dedication and commitment to the Police Activities League (P.A.L.) Mentor Program.

PUBLIC COMMENT
Leonard Leornas spoke about the dust and noise in his neighborhood.

Mike Geddry spoke about upcoming events at the Museum of Flight. He said over 3,500 people visit the museum each year. He thanked the Council for its support over the years.

Ernest Armenta asked that in the next budget cycle the City consider reforms such as not paying for Councilmembers' retirement and medical insurance, adopt a moratorium on all Department Head bonuses and all developer fees, and look at pension reforms for City employees.

Bruce Corsaw, SEIU Local 620, spoke about the nine layoffs proposed in the budget and said they had a concern with management's interpretation of the layoff procedure in their MOU. He asked that the Council direct staff to enter into negotiations with Local 620 to develop a side letter on bumping rights. He also spoke about suspending bonuses for Department Heads.

Nancy Stewart spoke about public safety and asked the Council to save the Police Department and Code Compliance from budget cuts.

CONSENT CALENDAR
Consent Calendar Items 3A through 3H were approved on motion by Councilmember Orach, seconded by Councilmember Boysen, and carried on the following vote:

AYES: Councilmembers Boysen, Cordero, Orach, Patino, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

A. ORDINANCES
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar were adopted by the same vote cast at the first reading unless City Council indicated otherwise.

B. MINUTES
The Minutes of the Regular City Council Meeting of June 7, 2011, were approved as submitted.

C. WARRANTS
Warrant Nos. 166346 to 166574 totaling $16,427,008.66 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant Nos. 158477, 163891, 165547, 166231, 166308, 166347, and 166490 were cancelled.

D. PAYROLL
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads, as shown on records on file in the Department of Administrative Services and having been approved for payment by the Director of Administrative Services.

E. ABC LICENSE
The City Council made a finding of public convenience in the matter of the issuance of a Type 48 (on-sale general for public premises) Alcoholic Beverage License for the Coachman Cocktail Lounge located at 221 N. Broadway, SP-2011-018.

F. DESIGNATING AUTHORIZED AGENTS
Resolution No. 2011-65 was adopted designating Authorized Agents to request and accept financial assistance related to disaster relief.

Resolution No. 2011-65 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, DESIGNATING APPLICANT'S AGENTS FOR NON-STATE AGENCIES.

G. CALL FOR BIDS
The City Council gave approval to call for bids on the plans and specifications for Street Maintenance (Chip Seal), Bid No. 2012/01.

H. AGREEMENT FOR LOBBYING SERVICES
Resolution No. 2011-66 was adopted authorizing the Director of Utilities to enter into a professional services agreement for a period of one year with Van Scoyoc Associates to provide comprehensive Federal Lobbying Services.

Resolution No. 2011-66 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE AWARD OF A PROFESSIONAL SERVICES AGREEMENT FOR COMPREHENSIVE FEDERAL LOBBYING SERVICES.

AMENDMENTS TO THE ADOPTED 2011-12 CITY BUDGET (SECOND YEAR OF THE APPROVED TWO-YEAR BUDGET).
City Manager Ness stated that last year, the City Council adopted two one-year budgets covering the period from July 1, 2010, to June 30, 2012. At that time, staff indicated it would be necessary to revisit the adopted 2011-12 budget plan during the mid-cycle review period to make appropriate amendments to the budget based on unforeseen events and changes in the local economy. Staff is bringing forward budget

amendments for Council's consideration related to the 2011-12 City budget. In summary, the proposed 2011-12 General Fund Budget is consistent with what was anticipated when staff developed the 2010-12 Budget. Last year, it was anticipated that one-time reserves and employee concessions would play an integral part in balancing the budget as would reductions to operating departments. As part of the 2011-12 General Fund balancing plan, the proposal before Council identifies a total of $2.4 million in base line budget reductions in General Fund operating departments.

Assistant City Manager Haydon presented an overview of the topics of discussion and gave the staff report. The proposal before Council provides for a balanced General Fund budget but does not reflect, or take into consideration, possible State or County impacts on City finances or operations. Should the State decide to eliminate all Redevelopment Agency (RDA) funding or the Board of Supervisors decide to close the North County Jail on Foster Road, staff will then be required to bring back options at a later date to address these impacts on the City's Budget for Council's consideration.

Overall, General Fund revenues continue to lag, while pension-related and other operational costs continue to increase. Last year in 2010-11, the City faced an astonishing $8 million budget deficit and projected a similar one in 2011-12. This year, that deficit rose to a staggering $9.5 million – the primary reasons being unanticipated CalPERS pension-related increases and lower than anticipated revenues. To address this $9.5 million financial challenge, staff put together a multi-faceted approach to bridge the financial gap relying heavily on the use of one-time funding as follows: LEAF - $2,691,000; Carryover Financing - $1,189,900; Workers' Comp Deferrals - $1,000,000; Fleet Services Deferrals - $658,330; Business Equipment Deferrals - $341,470; for a total of one-time funding of $5,880,700. In addition to the use of this one-time funding, it is necessary to recommend the continuation of existing employee concessions through the 2012 calendar year, as well as reductions to operating departments' budgets, in order to produce a balanced General Fund budget for 2011-12.

In an effort to further reduce operating costs, staff not only took into consideration the cost savings associated with the continuation of employee concessions equal to $1.2 million, but also cut General Fund operating expenses by a total of $2.4 million. Departmental reductions ranged anywhere between a low of 4 percent to a high of 9 percent. And while some departments were able to reduce their expenses by either eliminating or not funding currently vacant positions, other departments are recommending the elimination of some full-time and part-time positions.

Overall, staff anticipates 2011-12 projected General Fund revenues to be approximately $53.3 million or $263,080 less than what Council had previously adopted. While sales tax revenues appear to be gradually increasing, they are still far from returning back to their peak levels of 2007-08. Staff is recommending a 7.5 percent increase for sales tax revenues over the previously adopted budget for 2011-12. Although property tax receipts show a progressively modest increase since 2009-10, they are not expected to return to 2007-08 levels until 2016-17 at the earliest. Significant decreases in revenue associated with the Non-Hazardous Hydrocarbon Impacted Soil (NHIS) program can be attributed to the slow down in clean-up efforts by Chevron. Year-end revenues are anticipated to be $1.7 million below the $4 million budget for the current fiscal year and $1.5 million below the 2011-12 projected budget amount. The construction sector took a tremendous hit during this last recession and has resulted in a sharp decline in construction-related permit revenue. Staff is recommending a 12.11 percent increase in Transient Occupancy Tax over what was previously budgeted for 2011-12. Additionally, a recently completed Cost Allocation Plan will result in the General Fund being the recipient of over $400,000 in extra revenue in 2011-12.

From a personnel standpoint, the total full-time personnel complement of the City in 2011-12 is being reduced from 461 down to 456 - with an additional five public safety related positions being authorized but not funded. In 2010-11, the City Council authorized but did not fund five public safety-related positions; the addition of five more in 2011-12 brings the total complement of authorized, but not funded, public safety-positions to ten. For 2011-12, the 456 full-time positions is equivalent to the personnel complement of the City back in 2006-07, and it will result in the City's employee-to-population ratio dropping to 4.55 (with 8.50 being the average of other comparable central coast agencies). With regard to part-time and limited service personnel, staff is

proposing to reduce the total part-time (32-hour per week) personnel complement from 73 part-time positions down to 68 and an overall reduction of 16 limited service (19-hour) positions, which is the equivalent of 8 full-time positions. In addition to this reduction, staff is also proposing to have all limited service employees pay the 3.75 percent City contribution to their PARS retirement plan.

Staff is also proposing reductions in contributions to the Chamber of Commerce, the Historical Museum, Economic Development Services, and the Museum of Flight and recommends that the allocations to these outside agencies be based on the 2010-11 contribution amounts minus the six percent reduction that has been applied to the majority of non-public safety General Fund-related operating departments.

Staff is requesting direction from Council on a policy issue regarding a potential ballot measure to secure a new General Fund revenue source. In July 2012, the much anticipated Fire Station No. 5 will be completed; and with its completion comes the need to hire the necessary fire fighters to staff the new station. However, identifying the $1.6 million in operational costs will be problematic given the City's current financial condition. Staff is recommending that the City Council authorize the placement of a revenue enhancement ballot measure on an upcoming election ballot for voters' determination. Consequently, the policy issue before Council is a request for $45,000 to secure the services of an outside consultant to perform the necessary polling and surveying of the residents in an effort to determine whether or not a revenue enhancement ballot measure would be successful in the City. The consultant would perform the necessary analysis to determine the type of tax that would receive the greatest chance of success, the size of the tax, the appropriate length or how long the tax should be in place, and when to place the item on the ballot – either in the June 2012 Primary Election or the November 2012 General Election.

Councilmember Patino asked if the $82,000 reduction to the library was from the federal and state government. She also asked if there was any discussion about closing the Orcutt Branch Library and the Guadalupe Branch Library to maintain the positions at the main library.

Assistant City Manager Haydon stated that was correct. $82,000 was federal and state reductions with an additional $143,000 cut from the County of Santa Barbara. However, the County indicated today that they would increase their appropriation for the Orcutt Branch Library to keep it open 32 hours per week. He said when the County gave the City its original funding proposal, staff met with them and told them that based on the funding they were providing, it would reduce the Orcutt Branch Library from 40 hours a week to 20 hours a week, close the Cuyama Branch, and reduce the hours at the Guadalupe Branch. The County returned with another proposal to keep the Cuyama Branch open, and today indicated they wanted to keep the Orcutt Branch Library open 32 hours a week.

Mayor Lavagnino opened the discussion for public input.

Joyce Hall, Friends of the Santa Maria Public Library, stated since the library opened, Sheppard Hall had become one of the most popular venues in the City for many events. The meetings, events, and educational activities held there drew people from Santa Maria and the area. In addition, a continual series of exhibits of local artists has become a looked-for feature by library patrons and visitors. The thousands of patrons who came to the Library each year were a major source of revenue for the Library Shop. From the sale of merchandise and donated material, the Friends gave the library between $30,000 and $40,000 a year. The programs held in Sheppard Hall were the library's major outreach to the adult community. The coordination, planning, and scheduling of these events and art exhibits warranted the full-time City position of Community and Cultural Events Coordinator. Under the proposed budget, the Coordinator's position would be eliminated. The Friends of the Library urged the Council to continue the Coordinator position.

Joan Leon, Santa Maria Community Coalition, stated they were deeply concerned about the continuing reduction in the Public Safety departments. The Coalition understood that the City had been relying on temporary sources of funding for police and fire for many years. A three-year grant was due to expire, and the NHIS revenue was iffy. The

City has been relying on these funding sources for public safety which should be a top priority for the City. If the City hired a consultant to look for a reliable source of funding, the funds generated should be specifically limited to public safety use only.

Laurie Tamura, Urban Planning Concepts, stated her concerns focused on Community Development. She recognized that this was a hard time for the City, but it was a hard time for everyone. The Department had experienced a significant drop in permit fees but she did not see a corresponding drop in staff. What she was hearing was that the Department had less work but the same amount of staff, and yet service was being cut. The City should be doing everything possible to encourage economic development and bring business into the City by making it a fast, friendly, and cost-effective process.

Paul Singh stated he originally came to the meeting about the library. He suggested some revenue enhancement ideas for the City such as installing parking meters. He offered to work with the City on revenue enhancements. The City could not afford to lose even one officer.

Ernest Armenta stated at one time, working for government was a good thing with good pay and benefits. Those times were over. Employees were going to have to agree to cuts in pay and cuts in benefits. Public safety employees were going to have to pay their fair share. If the City was going to hire a consultant for a tax measure, it could not be specifically for public safety. He thought it would pass, but other things had to go along with it, like pension reform. He talked about the parks being moved to the Special Assessment Districts funds and asked if that meant those parks would only be open to the residents paying the special assessments.

Avery Gallas, Library Board of Trustees, stated the Board regretted that the cuts to the library have to take place and hoped that the City Council and the Library Board could look for additional funding for the library.

Divina Flores, Domestic Violence Solutions, stated they relied heavily on law enforcement to protect the victims of domestic violence. Without law enforcement, the victims of domestic violence would have more problems. If the suspect was not incarcerated, the victim would have no time to get a restraining order, get their belongings, and get out of the residence. Without law enforcement, there was no help for the victims.

Kevin Gotchal stated he appreciated Mr. Haydon's presentation, but he could not support $45,000 to hire a consultant to figure out how to tax the people. The City should figure out how much money was needed and how many residents there were, and ask them if they would be willing to pay X number of dollars. History showed that if you reduced taxes, revenue increased because the activity increased. He understood that the City had a finite source of revenue. The City dealt with services which meant dealing with people. The only way to reduce the cost of services was to reduce people. Save the $45,000 and tell each household how much it will cost them to keep the same level of services.

Bruce Corsaw, SEIU Local 620, stated Santa Maria was different from other cities. The City prided itself on the low ratio of staff to population. More people were moving into the area. The work fell on the front-line staff. What most people did not realize was that public safety did not work without front-line support like water and wastewater. They disagreed with hiring a consultant. The City's management group is far more intelligent than other cities and did not need to hire a consultant. Local 620 would partner with the City both in manpower and finances on a ballot measure, but it had to be for everyone. Every department was needed to make the City work. The front-line staff could no longer continue to provide the level of service they were being asked to provide.

Bob Hatch, Chamber of Commerce, thanked City staff for the great report on the budget. He said the Chamber of Commerce's mission was a revenue center for the City. The money generated by the various activities of the Chamber had a direct impact on the City, particularly the transient occupancy tax (TOT). The City was prudent enough to delegate some of the transient occupancy tax to encourage visitors. The first five months of the year, the TOT was up by about 20 percent. The money provided to the Economic Development Commission by the City was partially subsidized by the

Chamber. The Chamber appreciated the support the City continues to provide, but he did not want people to think it was a drain on the City.

Chris Nartatez, President of the Santa Maria Police Officers Association, stated at one time the Police Department was authorized 115 officers. The Department currently had 111 officers with 3 unfunded. But there were only 101 officers actually working the streets. Now the City was proposing not funding 8 officers and 1 Community Service Officer. Last year the Department had 7 gang officers. Now the gang officer compliment was only 3. The officers were working currently at critical levels which was an officer safety issue. With the jail closing other than over the weekend, what were the officers going to do with people arrested Monday, Tuesday and Wednesday. The criminals were going to be citied and released. Transporting criminals to the jail would be at least a 4-hour round trip with 2 officers. The City was receiving rent money from the building that was purchased for the new Police Department. That money could go to continue funding police officers. The purchase of that building was about $12 million, and maybe the City should sell that building. There was also about $1.9 million in the Convention Center fund that could be used to fund officers. He asked the Council to invest in the Police Department now so they could continue to protect the citizens of Santa Maria.

There was no further public input.

Councilmember Orach stated he had been on the Council longer than the other members. Over the years, the City has had ups and downs. In the past, there has always been a light at the end of the tunnel. Unfortunately, he could not even see the tunnel this time. The City had been fortunate to receive outside funds to fix the levee and build the library and other things. The City started a savings account many years ago, and it was lucky that it did. Cities provide certain basic services and others that were to improve the quality of life. The City had to provide water, sewer, trash, police and fire; but it did not have to provide parks and libraries. Every department was important. Many cities had Utility Taxes, but Santa Maria did not. Every government agency who had tried to raise funds hired a consultant who had the ability to conduct surveys and determine what would work best.

Councilmember Patino stated she understood the people who came and asked the Council not to make certain cuts because the City felt the same way about the Sheriff closing the jail or the State cutting funding. When the City started receiving NHIS money, the Council authorized hiring 16 police officers and 9 fire fighters based on its commitment to public safety. The Council did have a commitment to its employees, but it had to make some tough decisions. When talking about employees, the City wanted to keep them for longer than one year. That was what happened when using one-time monies. The revenue enhancement measure needed a professional to make sure the City was getting good information so the money to put a measure on the ballot was not wasted. She asked how many employees would actually be laid off and lose their jobs.

Assistant City Manager Haydon stated there would be six full-time positions displaced from their current jobs; however, the City was committed to finding them other positions in the City.

Councilmember Boysen stated there were a lot of ways to interpret or manipulate numbers. Government finance was convoluted. The City had been very conservative and did put away money for a rainy day. The City put money away in the LEAF fund, the fleet reserve fund, the equipment reserve fund, and insurance reserve funds. The City built up an unreserved General Fund balance of around $40 million. That made the City very healthy financially. The City had a structural deficit of about $5 million a year by his numbers, not the $9.5 million Mr. Haydon mentioned. The City used money from LEAF and other fund reserves to make up that deficit. 2010-11 was really the first year he saw a structural deficit. The fleet reserve fund had $16 million and the equipment reserve had $5.9 million. The City has $240 million in available bonding capacity. The City was $290 million from going broke. He was not recommending using that. To him, it looked like the City was making a policy decision to reduce the budget by about $750,000 over what was originally anticipated. He did not think the City was in a situation where it had to make some of the severe cuts that were recommended. His proposal would be to fund two police officer positions, one fire position, and restore

Code Compliance which would cost about $400,000. That money would probably be made up with revenues that exceed projections or expenses that were lower than estimated. If not, the money could be taken out of fleet reserves for this year. Employees have been asked to take too many hits. At some point, the City had to say this was the limit of services that could be provided. He supported hiring the consultant for the ballot measure. He thought that in the next two-year budget cycle, they needed to look at every expense and every appropriation. The Council needed to make sure it was spending the taxpayers' money efficiently.

City Manager Ness stated as far as being a very healthy financial City, he did not agree. Staff never said there was an on-going structural deficit of $9.5 million. Staff said there was a $9.5 million deficit for next year. As far as fleet, workers' comp, or business equipment reserves, those were one-time monies set aside for specific purposes. The City had specific funding policies for those reserves. To say that the City had plenty of money in the fleet services reserve fund was not correct. For several years, the City had been deferring and postponing replacement of fleet vehicles. Based upon the rolling stock replacement schedule, the City should be replacing a lot more vehicles and equipment than it was. The City was trying to save as much money as possible by deferring those purchases. The City was in a deficit situation. The City was seeing some slight improvement and would come out of the recession, but he didn't know when. Staff had no idea that when the City started spending down the LEAF fund that it would be for four years. As far as the proposal by Councilmember Boysen, that would be a decision for the Council; however, staff would not advise changing any of the recommendations.

Assistant City Manager Haydon stated with regard to fleet services, the City had planned to replace 124 units during the 2-year budget period. Staff was now recommending replacing only 46 vehicles. Fleet vehicles that used to be turned over on a regular basis were now being extended to 4 years or 100,000 miles. With regard to the 2 police officers, the City had a grant proposal into the State of California to fund three police officers. The one Fire Prevention Officer position had been vacant for over a year and a half. It was a position that was affiliated with the Airport District contract. The City renegotiated that contract with the Airport District, and that position was no longer needed. Code Compliance was a priority of the City Council. The City Attorney's Office did try to reduce their operational expenses and was recommending two Code Compliance positions be reduced to part-time. Last year one Code Compliance Officer position was eliminated, and staff did not want to eliminate another front-line position. He agreed that Councilmember Boysen's proposal would cost between $400,000 and $500,000.

Councilmember Cordero stated the Council's number 1 priority was public safety. The City of Santa Maria had about 1 officer per 1,000 population. Councilmember Boysen mentioned all the reserve funds the City had. To see the City cutting public safety was scary. Laurie Tamura and Bob Hatch talked about bringing businesses to the community. One of the things businesses looked at was the crime rate and the type of law enforcement service. He hated to see the City drop one person from the Police Department or Fire Department. Anything that had to do with cutting public safety, he would not be in favor of. It was said that it was the lowest paid employees that were always hit the hardest. He agreed that was probably true. He thought the City should use some of the reserve funds to keep from cutting employees.

Councilmember Patino stated in the agenda report it talked about the amount the City spent on the contract with the Santa Maria-Bonita School District for crossing guards. She would like to see the District pay the full amount. If the City was reducing Code Compliance staff, was it taking into consideration the amount of staff time to prepare for the Code Compliance Board.

Assistant City Manager Haydon explained that the City was reducing its appropriation for crossing guards by $66,000. That decrease was being picked up by the Santa Maria-Bonita School District.

Assistant City Attorney Sinco stated the clerical Code Compliance position that was recommended for cutting to part time did supply substantial clerical support to the Code Compliance Board. It would be very difficult for that position to continue to staff the

Code Compliance Board. Other duties would have to be eliminated to make that happen.

Councilmember Orach asked if the City would be able to use CDBG funding to help backfill salaries or replacement of vehicles.

City Manager Ness stated the City could use more of the CDBG funds for its own purposes. There were restrictions and requirements that it be used for low or lower income activities. There were proposed City capital projects that could use CDBG funds. The largest pot of money was for facilities or capital projects that could not be used for operational expenses, such as funding police officers or fire fighters.

Councilmember Cordero stated he mentioned using some of the reserve funds. He realized that this would be one-time money that would have to be restored, particularly the LEAF funds. He was not suggesting that the City use all of its reserve money, but he wanted to reach deeper into the funds that could be used to keep the City functioning at least at the level it was currently functioning at.

Mayor Lavagnino stated he would never use one-time money for operational expenses. The City was fortunate enough to build up reserves. If the City had not built up those reserves, it would be in real trouble today. The City did not know what the State was going to do to cities or to Redevelopment Agencies. The City did not know what the costs would be with the jail situation. On top of that, Fire Station No. 5 was going to be built and would need to be staffed with 9 new fire fighters. Santa Maria was in pretty good shape. It was hurting, but every city in California was hurting. He felt bad about the employees who would be displaced. SEIU employees were very important to him, but public safety was the Council's number 1 priority. As far as the consultant, how the ballot measure was worded would make the difference between needing a 2/3's majority versus a simple majority vote. He would like to see the Council go along with staff's recommendation and then next budget cycle take a look at some of the suggestions. The City was in a situation where there were still unknowns with the State, the jail, and manning Fire Station No. 5.

City Manager Ness stated the Council had demonstrated time and time again that public safety was its highest priority. Public Safety represented about 56 percent of the entire General Fund budget. That only left 44 percent to balance the budget if public safety was not cut. That would mean closing the library completely and contracting out whole levels of service to the private sector. The City was not proposing any actual layoffs. As far as the NHIS revenue, the City funded 25 additional public safety positions. The City could not support those 25 public safety positions with the NHIS revenue the City was currently receiving. If the City kept the 9 post-required fire fighter positions currently staffing Fire Station No. 4, the City only had enough money for 6 of the 16 Police Officer positions. To add more Police Officers on top of that would be very difficult. As far as the revenue enhancement proposal, which would likely be a quarter cent sales tax override, it would probably be used for public safety. Chris Nartatez mentioned using the rental income for the new police station. The City was collecting rental income from the future police department building that was being swept into an account to provide for the move of the department to the Betteravia site. That would be very expensive. Also, that rental income might terminate at the end of this year. Selling the building was not advisable because the existing police department building was inadequate. It would not be advisable to give back the money for Fire Station No. 5 and not build it. That was why staff was suggesting a revenue enhancement measure to help finance the 9 fire fighters to staff that station. As far as the Convention Center reserve fund, that was started by the Council many years ago. It was never intended to build a Convention Center, but to use as an incentive for a hotel developer who might want to build one. The proposal for a consultant would not only size the revenue enhancement, but also determine when to put it on the ballot, the purpose, and the type of enhancement to look at. This was the first time the City had ever looked at a revenue enhancement ballot measure. Staff did not have the time or expertise to spend on it. If the City did not get the employee organizations support for the ballot measure, there was no reason to move forward with it.

Councilmember Boysen moved to adopt Resolution No. 2011-67 with the exception of adding back two police officers, one fire prevention officer, and Code Compliance

officer. Councilmember Cordero seconded the motion. The motion failed on the following vote:

AYES: Councilmembers Boysen and Cordero
NOES: Councilmembers Orach, Patino, and Mayor Lavagnino
ABSENT: None
ABSTAIN: None

Resolution No. 2011-67 was adopted approving amendments to the 2011-12 budget on motion by Councilmember Patino, seconded by Councilmember Orach, and carried on the following vote:

AYES: Councilmembers Boysen, Cordero, Orach, Patino, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Resolution No. 2011-67 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING THE BUDGET FOR FISCAL YEAR 2011-12 AND DELEGATING THE CITY MANAGER TO IMPLEMENT SAME.

CITY MANAGER'S REPORT

City Manager Ness reported on items anticipated for the July 5, 2011, City Council meeting including public hearings for a General Plan Amendment and Zone Change for the Chumash Casino Park and Ride project, a Zoning Text Amendment to Title 12 associated with the Radisson Hotel, the 2010 update to the Urban Water Management Plan, and CDBG and HOME Amended Allocations. Staff was also working on a presentation on County redistricting for either July 5th or 19th.

ORAL REPORTS BY COUNCILMEMBERS

Councilmember Cordero reported he attended an awards ceremony for students from the Santa-Maria Bonita School District, a public relations event for People's Self-Help Housing, the DARE graduation, a Community Action Commission fundraiser, met with local hotel/motel representatives, and attended a preparation meeting for the City employee picnic.

Councilmember Orach reported he attended a LAFCO meeting on the budget, the Chamber of Commerce Business Fair, met with the hotel/motel representatives, and met with the Police Officers Association.

Councilmember Patino reported she did the Ben Heighes show, attended the quarterly schools meeting, a fundraiser for Community Partners in Caring, the Transportation Committee meeting, the gang information meeting at Los Adobes de Maria, met with Police Officers Association, attended the Trade Show and Ted Eckert's funeral.

Councilmember Boysen reported he attended an event at which Good Samaritan Shelter, in partnership with the local bicycle clubs, gave away eight bicycles to homeless individuals, and he attended most of the same events as the other Councilmembers.

Mayor Lavagnino reported he attended the quarterly schools meeting, went to the Board of Supervisors meeting to discuss the jail and the Landfill Siting Element, attended the Airport Board meeting, met with representatives from Pueblo, attended Ted Eckert's funeral services, and attended the Santa Barbara County Association of Governments and Air Pollution Control District meetings.

ADJOURNMENT

There being no further business to come before the City Council at this time, the meeting was declared adjourned at 10:00 p.m. by Councilmember Patino in honor of Ted Eckert and Bill Shinn.

APPROVED

July 5, 2011
Date

ATTEST

Chief Deputy City Clerk

Chief Deputy City Clerk and ex officio Clerk of the City Council

Mayor